

DOCKET SECTION

BEFORE THE  
POSTAL RATE COMMISSION

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997


DOCKET NO. R97-1

FIRST SET OF INTERROGATORIES AND REQUESTS FOR  
PRODUCTION OF DOCUMENTS FROM UNITED PARCEL SERVICE  
TO UNITED STATES POSTAL SERVICE  
(UPS/USPS-1 through UPS/USPS-3)

(July 18, 1997)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby serves the following interrogatories and requests for production of documents on the United States Postal Service (UPS/USPS-1 through UPS/USPS-3).

Respectfully submitted,



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Of Counsel.

**INTERROGATORIES OF UNITED PARCEL SERVICE  
TO UNITED STATES POSTAL SERVICE**

**UPS/USPS-1.** The requested classification schedule language for the proposed DDU discount classification requires that qualifying mail be entered at a designated destination delivery unit "or other equivalent facility," and the requested language for the proposed DSCF discount classification requires that qualifying mail be entered at a designated destination processing and distribution center or facility "or other equivalent facility."

(a) What other types of facilities may qualify as an "other equivalent facility" (i) in the case of DDU mail and (ii) in the case of DSCF mail?

(b) What standards or criteria will be used to determine if a facility is an "other equivalent facility" (i) in the case of DDU mail and (ii) in the case of DSCF mail?

**UPS/USPS-2.** Please refer to page 3 of the March 10, 1997, issue of Postal World, attached hereto, and in particular to the reference to FASTNET on that page.

(a) When did the Postal Service first begin accepting FASTNET Parcel Post shipments?

(b) Provide the total revenue from inception to date, as well as the revenue for each fiscal year in which FASTNET has operated, obtained by the Postal Service from the FASTNET project.

(c) Provide the total cost from inception to date, as well as the cost for each fiscal year during which FASTNET has been operated, for FASTNET shipments.

**INTERROGATORIES OF UNITED PARCEL SERVICE  
TO UNITED STATES POSTAL SERVICE**

(d) For each cost figure supplied in response to (c), above, provide a breakdown of the costs by cost segment, component, function, element, or by any other cost categorization available, to the lowest level of detail available.

(e) Provide the total volume of FASTNET pieces handled by the Postal Service (i) from inception of the project to date and (ii) separately for each fiscal year during which FASTNET has been operated.

(f) In the case of each of the volume figures provided in response to (e), above, how much of the volume consists of parcels that were formerly carried by carriers other than the Postal Service?

(g) Provide all rates charged at any time for FASTNET shipments, specifying when each set of such rates was in use.

(h) Are the revenues for FASTNET supplied in response to (b), above, included in the revenues for Parcel Post for the respective fiscal years in which FASTNET has been operated? If not, why not?

(i) Are the costs of FASTNET shipments supplied in response to (c), above, included in Parcel Post costs for the respective fiscal years in which those costs were incurred? If not, why not? If so, in what cost components, segments, functions, elements, or other cost categorizations are those costs found?

(j) Are the volumes of FASTNET shipments supplied in response to (e), above, included in Parcel Post volumes for the respective fiscal years in which those volumes were handled? If not, why not?

**INTERROGATORIES OF UNITED PARCEL SERVICE  
TO UNITED STATES POSTAL SERVICE**

**UPS/USPS-3.** Please refer to the table below, the source of which is LR-SSR-22 in Docket No. MC96-3 for the 1995 data and LR-G-222 in Docket No. R94-1 for the 1993 data. Amounts are sums of the tally dollars (IOCS variable F9250) in each CAG (IOCS variable F264) for Mail Processing Clerks and Mailhandlers (F9252 = 2, 3, or 4) in each year.

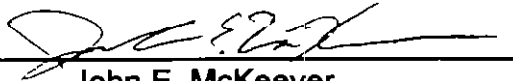
(a) Please confirm that costs associated with CAG A offices significantly decreased from 1993 to 1995. If confirmed, please explain what caused this decrease. If not confirmed, please explain.

(b) Please confirm that costs associated with CAG B offices significantly increased from 1993 to 1995. If confirmed, please explain what caused this increase. If not confirmed, please explain.

(c) Please explain the changes from 1993 to 1995 in the costs associated with CAGs C-J.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this date served the foregoing document in accordance with section 12 of the Commission's Rules of Practice.

  
John E. McKeever

Dated: July 18, 1997  
Philadelphia, Pa.